

**Schedule 13**  
**1331 Emergency Change Request for FY 08-09 Budget Request Cycle**

**Request Title:** Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☐  
**Department:** Auraria Higher Education Center Auxiliary Revenue Line Item  
**Priority Number:** Higher Education  
 N/A  
**Dept. Approval by:** *Deanne M. Rudman* **Date:** 6-3-08  
**OSPB Approval:** *In 42* **Date:** 6-6-08

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	1331 Emergency Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
<b>Total of All Line Items</b>	<b>Total</b>	3,265,051	100,000	(100,000)	0	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	3,265,051	100,000	(100,000)	0	0	0	0	0	0	0
	CFE	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(9) Auraria Higher Education Center Auxiliary Revenue (eliminate line item)</b>	<b>Total</b>	3,265,051	100,000	(100,000)	0	0	0	0	0	0	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	3,265,051	100,000	(100,000)	0	0	0	0	0	0	0
	CFE	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

**Letternote revised text:** This amount shall be from auxiliary revenue (eliminate letternote)

**Cash Fund name/number, Federal Fund Grant name:** Cash Appropriation / Fund 329 (eliminate name)

**IT Request:** ☐ Yes ☒ No

**Request Affects Other Departments:** ☐ Yes ☒ No **If Yes, List Other Departments Here:**

**1331 EMERGENCY CHANGE REQUEST for FY 2008-09 BUDGET REQUEST CYCLE**

Department:	Higher Education
Priority Number:	N/A
Change Request Title:	Auraria Higher Education Center Auxiliary Revenue Line Item

**SELECT ONE (click on box):**

- ☐ Decision Item FY 2009-10
- ☐ Base Reduction Item FY 2009-10
- ☒ Supplemental Request FY 2007-08
- ☐ Budget Request Amendment FY 2009-10

**SELECT ONE (click on box):**

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☒ An emergency
- ☒ A technical error which has a substantial effect on the operation of the program
- ☐ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Auraria Higher Education Center's (AHEC) Auxiliary Revenue line item was set at \$100,000 cash funds in FY 2007-08 following a JBC approved comeback request in March 2008. The March 2008 comeback request lifted an existing \$50,000 restriction on the line item so that subsequent to the passage of S.B. 08-126 it could be eliminated. This 1331 emergency supplemental requests a negative \$100,000 cash funds appropriation to the Auxiliary Revenue line item and the elimination of the line item in FY 2007-08 pursuant to repealed section of statute detailed in S.B. 08-126. S.B. 08-126 was signed by the Governor on March 19, 2008, around or just after JBC action on OSPB comebacks. Given that S.B. 08-126 eliminates the need for this type of cash funds appropriation, this action will provide consistency between how this line item is no longer included in FY 2007-08 and FY 2008-09.

Background and Appropriation History:

The Auraria Higher Education Center statutorily provides campus facilities for Metropolitan State College of Denver, The Community College of Denver and The University of Colorado Denver and handles all operations of those facilities, grounds and campus auxiliaries. Expenses such as long distance charges, postage/shipping and non-academic space renovations are charged to the constituent institutions by the Auraria Higher Education Center. Such transactions were cash fund exempt and not appropriated until the institutions became designated enterprises. These reimbursements are now cash funds (non-exempt) as the Auraria Higher Education Center is not an enterprise and cannot become one due to State capital and controlled maintenance funding. In the past as a tenant institution's project spending increased so did the need for the Auraria Higher Education Center's appropriation. In FY 2006-07, the Auraria Higher Education Center received a large amount of revenue from the tenant institutions which resulted in an overexpenditure and associated restriction in FY 2007-08.

General Description of Request:

Due to the overexpenditure in FY 2006-07, the State Controller's Office put a restriction on the Auraria Higher Education Center's Auxiliary Revenue line item for \$50,000 in FY 2007-08. This restriction was lifted by the Joint Budget Committee during figure setting comebacks for the FY 2008-09 Long Bill (included as an add-on for FY 2007-08). However, due to technical error and timing of legislation, the amended Auxiliary Revenue line item was set at \$100,000 (page 293) and not eliminated. In reality, AHEC anticipates needing more than \$5 million in auxiliary cash funds spending authority in FY 2007-08,(SEE TABLE BELOW) meaning the current amount is not sufficient to cover the revenue generated and not consistent with S.B. 08-126. By eliminating this line item in FY 2007-08 the Auraria Higher Education Center can continue operating out of its auxiliary revenues without interruption, meet the intent of S.B. 08-126, and be consistently reflected in FY 2007-08 as well as FY 2008-09.

Fiscal Year 2007-08 Auxiliary Revenue Estimate			
Revenue FY 2007-08	External	Institutions	Total
Facilities Auxiliary Projects	\$ 32,000	\$ 3,954,708	\$3,986,708
Fleet Management	67,193	844	68,037
Media Center	28,853	50,645	79,498
King Center	15,965	27,000	42,965
General Space Rent	26,701	3,000	29,701
RTD Stations	32,972	\$0	32,972
Public Safety – Library	\$0	52,396	52,396
Public Safety - Other	23,251	\$0	23,251
Telecomm Auxiliary	23,739	150,000	173,739
Telecomm Long Distance	\$0	33,180	33,180
Postage Reimbursement	\$0	500,000	500,000
<b>Estimated Auxiliary Revenue Total</b>	<b>\$ 250,674</b>	<b>\$ 4,771,773</b>	<b>\$5,022,447</b>

During the FY 2007-08 legislative session, the legislature passed and the Governor signed S.B. 08-126 repealing the provision in Colorado Revised Statutes that limits the amount of cash fund revenues subject to the constitutional spending limitations from the Taxpayer's Bill of Rights (TABOR). This bill eliminates the need for the Auraria Higher Education Center's Auxiliary Revenue line item to be authorized in the annual Long Bill, and in fact the line has been eliminated in the FY 2008-09 Long Bill (H.B. 08-1375). S.B. 08-126 enables the elimination of the Auxiliary Revenue line item in FY 2007-08 and will enable the Auraria Higher Education Center to accept and spend revenues at they are received by the tenant institutions in the current fiscal year and the future. This 1331 emergency supplemental requests the Auxiliary Revenue line item for the Auraria Higher Education Center be struck from the FY 2007-08 Long Bill.

Consequences if Not Funded:

Likely overexpenditure from the appropriation and more importantly interruption of service delivery of the auxiliary functions which the Auraria Higher Education Center provides to the tenant institutions (Metropolitan State College of Denver, the University of Colorado Denver, and the Community College of Denver).

Calculations for Request:

Summary of Request FY 2007-08	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	FTE
(9) Auraria Higher Education Center – Auxiliary Revenue	(\$100,000)	\$0	(\$100,000)	\$0	\$0	0.0

*Currently the Auxiliary Revenue line item has a \$100,000 cash fund appropriation in FY 2007-08. This 1331 request seeks (\$100,000) cash funds in FY 2007-08 to zero out this line item such that it can be eliminated.*

Assumptions for Calculations:

Not applicable

Impact on Other Government Agencies:

Service delivery of the auxiliary functions that the Auraria Higher Education Center provides to the Metropolitan State College of Denver, the University of Colorado Denver, and the Community College of Denver will be interrupted.

Cost Benefit Analysis:

Not applicable

Implementation Schedule:

Task	Month/Year
Start-Up Date	Upon approval of request

Statutory and Federal Authority:

Section 23-70-104 (b), C.R.S. (2007) To allocate among and assign to the constituent institutions, in accordance with needs, suitable space within the center for the use of such institutions and for such joint or cooperative educational, vocational, and other activities and programs as may be provided by the constituent institutions

Section 23-70-104 (c ), C.R.S. (2007) To facilitate effective coordination and economies of operation of physical facilities by designating joint facilities of the constituent institutions to include , but not be limited to, auxiliary facilities, as defined in Section 23-5-101.5 (2) (a)

Section 23-70-104 (d), C.R.S. (2007) To determine and designate nonacademic and nonvocational joint programs or joint activities of the constituent institutions, to include, but not be limited to, security and fire protection, maintenance, and purchasing

Section 23-1-103.5, C.R.S. (2008) Repealed

Performance Measures:

Not applicable